EXHIBIT N

IN THE UNITED STATES DISTRICT COURT

FOR THE NORTHERN DISTRICT OF CALIFORNIA

SAN JOSE DIVISION

IN RE:	) C-05-01114-JW
ACACIA MEDIA	)
TECHNOLOGIES	) JUNE 14, 2006
CORPORATION.	)
	) PAGES 1-223
_____	)

THE PROCEEDINGS WERE HELD BEFORE

THE HONORABLE UNITED STATES DISTRICT

JUDGE JAMES WARE

A P P E A R A N C E S:

FOR THE PLAINTIFFS: HENNIGAN, BENNETT & DORMAN
                    BY: RODERICK G. DORMAN
                          ALAN P. BLOCK
                    865 SOUTH FIGUEROA STREET
                    SUITE 2900
                    LOS ANGELES, CALIFORNIA 90017

FOR THE DEFENDANTS: KEKER & VAN NEST
                    BY: DARALYN J. DURIE
                          DAVID J. SILBERT
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                    710 SANSOME STREET
                    SAN FRANCISCO, CALIFORNIA
                    94111
     (APPEARANCES CONTINUED ON THE NEXT PAGE.)

OFFICIAL COURT REPORTER: IRENE RODRIGUEZ, CSR, CRR
                         CERTIFICATE NUMBER 8074

1 YOUR OPPONENT OR OTHERS WHO MIGHT WISH TO ADDRESS

2 IT.

3   MR. BENYACAR: DAVID BENYACAR.

4   JUST A COUPLE OF VERY QUICK POINTS, YOUR

5 HONOR. LET ME SEE IF I CAN SEE HOW THIS ELMO

6 WORKS.

7   AN INITIAL POINT OF CLARIFICATION, THE

8 COURT WILL RECALL THAT THE LAST TIME THAT WE WERE

9 ALL TOGETHER, THE COURT SET A SCHEDULE FOR THE

10 ROUND THREE DEFENDANTS WHEREBY TERMS THAT THE COURT

11 HAD ALREADY CONSTRUED WOULD BE ADDRESSED BY THE

12 ROUND THREE DEFENDANTS IN THE AUGUST MARKMAN

13 HEARING AND NOT IN THIS MARKMAN HEARING. AND

14 "ITEMS CONTAINING INFORMATION" BEING A TERM THAT

15 THE COURT HAS ALREADY CONSTRUED IS FOR US A

16 RECONSIDERATION TERM, AND SO WE WILL ADDRESS IT

17 NEXT TIME, BUT I JUST WANT TO ADDRESS ONE POINT

18 QUICKLY THAT THE COURT ASKED COUNSEL AS TO WHETHER

19 OR NOT THERE IS ANYTHING IN THE PROSECUTION HISTORY

20 PERTINENT TO THIS POINT.

21   IT SEEMS TO ME AS BEST I UNDERSTAND IT

22 THAT ACACIA'S POSITION IS THAT THE ITEMS CAN BE THE

23 INFORMATION ITSELF AND THEY POINT TO VARIOUS QUOTES

24 THAT SAY ITEMS OF AUDIO AND VIDEO INFORMATION AND

25 THEY SAY, SEE, THE ITEMS CAN BE INFORMATION, THEY

1   DON'T HAVE TO BE THE PHYSICAL MEDIA WHICH HOLD IT.

2   BUT WHAT I SHOW UP HERE IS CLAIM 19 WHICH

3   WAS APPLICATION CLAIM 18 WAS AMENDED DURING

4   PROSECUTION SPECIFICALLY TO CHANGE THE CLAIM FROM

5   "INFORMATION" TO "ITEMS CONTAINING INFORMATION"

6   BOTH IN THE PREAMBLE AND IN THE BODY OF THE CLAIM.

7   AT THE SAME TIME THIS AMENDMENT WAS MADE,

8   CLAIM 41 WAS ADDED TO, TO THE APPLICATION WHICH

9   ALSO CONTAINED "ITEMS CONTAINING INFORMATION."

10   SO WE WOULD SUBMIT THAT ACACIA'S

11   CONSTRUCTION WOULD RENDER THIS AMENDMENT A NULLITY

12   BECAUSE THEY'RE CONSTRUING ITEMS CONTAINING

13   INFORMATION TO BEING JUST THE INFORMATION ITSELF.

14   AND THIS IS ON PAGE 12 OF OUR BOOK, YOUR

15   HONOR, AND LIKE I SAID, ON OTHER POINTS WE WILL

16   ELABORATE IN MORE DETAIL DURING THE NEXT ROUND.

17   THE COURT: ALL RIGHT. MR. DORMAN, DO

18   YOU WANT TO REPLY?

19   MR. DORMAN: THANK YOU, YOUR HONOR. YOUR

20   HONOR, THROUGH THE SPECIFICATION "ITEM" CAN BE A

21   UNIT OF INFORMATION AS WELL. FOR EXAMPLE, A MOVIE,

22   JUST LIKE A MOVIE, FOR EXAMPLE.

23   A MOVIE CAN BE AN ITEM. ONE OF THE

24   REFERENCES THAT I MENTIONED TO YOU HAS THE

25   SPECIFICATION, IN THE SPECIFICATION TALKS ABOUT

1   ENCODING.

2   THIS FILE IS ADDRESSABLE AND THERE

3   ADDRESSABLE MEANS LOCATED MEMORY WITH A UNIQUE

4   IDENTIFICATION CODE ASSIGNED TO THE DATA BY THE

5   IDENTIFICATION ENCODER.

6   MR. KREEGER: YOUR HONOR, HERE IS OUR

7   PROPOSED CONSTRUCTION STORE ADDRESSABLE. THERE IS

8   A KNOWN ASSOCIATION BETWEEN THE DATA BLOCK AND ITS

9   STORAGE LOCATION SO THAT THE TRANSMISSION SYSTEM

10   CAN RETRIEVE THAT INDIVIDUAL DATA BLOCK BY USING

11   ITS STORAGE LOCATION.

12   AND WE SUBMIT THAT THAT IS THE DEFINITION

13   OF ADDRESSABILITY WHICH THE PATENT TALKS ABOUT AND

14   IT'S ALSO CONSISTENT WITH ITS ORDINARY MEANING.

15   THE COURT: AND WHY DOES IT HAVE TO BE,

16   WHY DOES IT HAVE TO BE STORED?

17   MR. KREEGER: WELL, HERE LET'S GO TO THE

18   NEXT SLIDE AND WE'LL TALK ABOUT WHAT THE SPEC TALKS

19   ABOUT.

20   THE SPEC TALKS ABOUT ADDRESSING AND

21   ADDRESSABILITY AND IT DOES SO IN THE CONTEXT THAT

22   IS TALKING ABOUT LOCATING SOMETHING IN STORAGE.

23   HERE'S AN EXAMPLE. THIS IS TALKING IN

24   COLUMN 8 ABOUT USER AND SYSTEM ADDRESS REQUIREMENTS

25   AND IT GIVES AN EXAMPLE OF A SONG. A USER MAY

1 DESIRE TO LISTEN TO A PARTICULAR SONG. THEY ENTER

2 THE SONG NUMBER.

3   INTERNAL TO THE SYSTEM THE SONG IS

4 ASSOCIATED WITH A STARTING FRAME NUMBER INDEXED BY

5 THE SYSTEM OPERATOR AND THEN THE FRAMES ARE A

6 SUBSET OF AND ARE CONTAINED WITHIN THE ITEMS STORED

7 IN THE COMPRESSED DATA LIBRARY.

8   SO WHAT IT DOES IS IT ENTERS A SONG AND

9 NUMBER AND THERE'S A SYSTEM BETWEEN WHAT THAT SONG

10 NUMBER IS AND WHERE IT CAN BE FOUND IN THE STORAGE.

11 AND THAT'S WHAT THE PATENT TALKS ABOUT.

12   AND NEXT SLIDE. THERE'S SOMETHING

13 SIMILAR THAT I THINK MR. DORMAN REFERRED TO. AND

14 THIS IS ABOUT THE UNIQUE ADDRESS CODE AND THIS IS

15 IN COLUMN 10 AND IT TALKS ABOUT WAYS TO REFER TO

16 ACCESS ITEMS IN THE COMPRESSED DATA LIBRARY THROUGH

17 THE ACCESS CODE.

18   AND THIS IS A FILE ADDRESS FOR ITEMS IN

19 THE COMPRESSED DATA LIBRARY. AND WHAT IT DOES IS

20 IT ALLOWS FOR COMPLETE ADDRESSABILITY FOR THE ITEMS

21 STORED IN THE COMPRESSED DATA LIBRARY. AND THIS

22 CONCEPT OF THE ADDRESS TELLS YOU WHERE YOU CAN FIND

23 IT IN STORAGE THAT THE PATENT WAS TALKING ABOUT IS

24 QUITE CONSISTENT OF HOW IT WAS USED BY THOSE OF

25 SKILL IN THE ART.

1   WE SUBMITTED THREE TECHNICAL DICTIONARIES

2 ON THIS POINT, YOUR HONOR. I DON'T THINK THERE'S

3 ANY DISPUTE ABOUT THIS. THEY ALL DEFINE THE TERM

4 ADDRESS AS USED BY THOSE IN THIS ART TO REFER TO A

5 LOCATION IN STORAGE.

6   THAT'S WHAT PEOPLE MEAN WHEN THEY SAY I'M

7 GOING TO GIVE YOU THE ADDRESS OF THIS PARTICULAR

8 PIECE OF DIGITAL INFORMATION. THAT DEFINES WHERE I

9 CAN FIND IT IN THE STORAGE. THAT'S THE I TRIPLE E

10 DEFINITION WAS. THAT'S ALSO THE TERM OF COMPUTING.

11 AND THE TERM REFERS TO THE LOCATION IN MEMORY AND

12 MADE FOR THE PURPOSE OF RETRIEVING OR STORING THAT

13 INFORMATION AT THAT LOCATION.

14   SO THE SPEC TALKS ABOUT ADDRESSING IN

15 THAT CONTEXT AND THOSE OF THE SKILL IN THE ART

16 REFER TO IT IN THAT CONTEXT.

17   THE COURT: WELL, BUT THIS IS A METHOD

18 CLAIM AND, AND AT THIS POINT IN THE METHOD I'M

19 PLACING THE DATA INTO DATA BLOCKS WHICH ARE

20 ADDRESSABLE. I HAVEN'T STORED IT ANYWHERE. ALL I

21 WANT IT TO DO IS THAT I WANT IT TO BE ADDRESSABLE.

22   IN OTHER WORDS, I WANT TO FIND IT. WHY

23 SHOULD I INTRODUCE STORAGE WHEN I'M, WHEN I'M

24 SIMPLY DEFINING ADDRESSABILITY?

25   MR. KREEGER: THAT'S INHERENT TO THE

1 CONCEPT OF ADDRESSABILITY. IF YOU DON'T HAVE A

2 LOCATION WHERE YOU CAN FIND IT, THEN THE THING IS

3 NOT ADDRESSABLE.

4   THE COURT: WELL, LATER ON I MIGHT HAVE

5 TO DO THAT BUT IN ORDER FOR IT TO BE ADDRESSABLE, I

6 SIMPLY HAVE TO GIVE IT SOME KIND OF SEQUENCE OR

7 NUMBERING SCHEME. I MAY ACTUALLY PUT IT IN FIVE

8 DIFFERENT PLACES AS LONG AS MY COMPUTER KNOWS TO

9 GET PLACE FIVE FIRST, PLACE FOUR SECOND, PLACE

10 THREE THIRD AND THEN I BRING IT BACK TOGETHER IN

11 ITS ORIGINAL PLACE BUT ALL OF THAT SIMPLY MEANS

12 THAT, THAT IT IS ADDRESSABLE, NOT THAT, NOT THAT IT

13 IS STORED.

14   MR. KREEGER: I'M NOT QUIBBLING. I THINK

15 YOU'RE ABSOLUTELY RIGHT. OUR CONSTRUCTION BELIEVES

16 THAT THERE SHOULD BE A KNOWN ASSOCIATION BETWEEN

17 THE DATA BLOCK AND WHERE IT WILL ULTIMATELY BE

18 STORED.

19   WHAT YOU'RE TALKING ABOUT IS EXACTLY THAT

20 THERE WILL BE SOME WAY TO ASSOCIATE THIS DATA BLOCK

21 WITH ITS ULTIMATE LOCATION AND STORAGE AND WE'RE

22 NOT REQUIRING THAT THAT BE KNOWN IN ADVANCE.

23   WE'RE REQUIRING THAT AT THE POINT AT

24 WHICH THAT THE SEQUENCE OF BLOCKS FOR IT TO BE

25 ADDRESSABLE, THERE HAS TO BE SOME ASSOCIATION WITH

1 THAT BLOCK AND ITS EVENTUAL LOCATION AND STORAGE.

2   THE COURT: BUT AT THIS STEP IN THE

3 METHOD, IF I'M PRACTICING THIS METHOD, ALL I HAVE

4 TO DO IS TO PLACE THE INFORMATION INTO BLOCKS WHICH

5 ARE ADDRESSABLE, IN OTHER WORDS, THE BLOCKS HAVE TO

6 BE ASSOCIATED WITH SOME METHOD BY WHICH I CAN GAIN

7 ACCESS.

8   MR. KREEGER: WHEN STORED. THAT'S THE

9 PART THAT IS CRUCIAL TO THIS. YES, IT COULD BE THE

10 TIME CODE. IN FACT, THE TIME CODE, IF IT WERE

11 ASSIGNED AT THIS STEP, THE PATENT TALKS AT COLUMN

12 10 ABOUT COLUMN 10, LINE 23, THAT, THAT YOU GO

13 THROUGH THE STEP OF COMPRESSION AND, AND AFTER

14 COMPRESSION THE FILE MAY CONTAIN THE COMPRESSED

15 AUDIO AND/OR VIDEO DATA, TIME MARKERS, AND THE

16 PROGRAM NOTES.

17   SO THOSE TIME MARKERS THAT WERE ASSIGNED

18 AT THIS STEP OF THE CLAIM COULD HAVE CARRIED

19 FORWARD THROUGH COMPRESSION AND THEN THEY COULD

20 HAVE BEEN CARRIED TO THE STORAGE COMPRESSION. AND

21 THE POINT IS THAT THAT ASSOCIATION THAT IS MADE

22 WITH THESE PARTICULAR DATA BLOCKS HAS TO TIE, AT

23 SOME POINT, WITH THE STORAGE LOCATION BECAUSE

24 THAT'S THE WHOLE CONCEPT OF ADDRESSABILITY. IF YOU

25 DON'T HAVE THAT, YOU DON'T HAVE ADDRESSABILITY.

1 PROCESS.

2   ONE STEP IS COMPLETED BEFORE THE NEXT

3 STEP BEGINS AND THAT'S WHAT WE WOULD ASK THE COURT

4 TO DO WITH CLAIM 41.

5   I HAVE SOME SLIDES IN MY BOOK WHICH IS IN

6 TAB 5, BUT I DON'T THINK THAT I NEED TO GO THROUGH

7 SOME OF THESE BECAUSE THEY JUST DEMONSTRATE WHAT

8 THE COURT HAS ALREADY OBSERVED WHICH IS THE PLAIN

9 LANGUAGE OF THE CLAIM AND WHICH DESCRIBES THE

10 OUTPUT FROM ONE STEP SERVING AS THE INPUT TO THE

11 NEXT STEP.

12   THE OTHER THING THAT I JUST WANT TO SAY

13 IS THAT ON THIS POINT IS OAK ALSO SAID THAT IT'S

14 PERTINENT THAT THE SPECIFICATION DESCRIBES A

15 SEQUENTIAL PROCESS.

16   AND THE SPECIFICATION IS REPLETE WITH,

17 WITH EXAMPLES OF HOW THE STEPS IN CLAIM 41 ARE

18 PERFORMED ONE AFTER THE OTHER WITH NO OVERLAP.

19   THE SLIDE WHICH I KNOW IS HARD TO SEE AND

20 IT DOESN'T COME OUT WELL, BUT IT'S ON PAGE 21 OF

21 THE HANDOUT, YOUR HONOR, SHOWS THE CORRESPONDENCE

22 TO CLAIM 27 OF THE DIFFERENT STEPS IN CLAIM 41 AND

23 HOW CLAIM, HOW FIGURE 7 SHOWS EACH ONE OF THOSE

24 STEPS BEING PERFORMED SEQUENTIALLY, ONE AFTER THE

25 OTHER.